

## **Louisiana Department of Health and Hospitals**

### **Bayou Health Informational Bulletin 12-19**

**Revised August 28, 2013**

#### **Issue: Hospital Observation Hours**

In legacy Medicaid the observation status time limit is 30 hours. "Observation Status" is the level of care designated when a patient's condition warrants monitoring, lab work, and other diagnostic testing but does not meet medical necessity for an inpatient level of care. Notification or precertification is not required for observation stays. Reimbursement for observation hours is limited to 30 hours. Patients are not automatically converted to inpatient status at the end of the 30 hours. To change a patient's status from observation to inpatient, a physician's order is required and the patient must meet medical necessity criteria for an inpatient level of care.

**The observation policies for the five Bayou Health Plans are as follows:**

#### **Amerigroup**

Outpatient observation does not require precertification for in-network providers. We allow up to 30 hours of observation.

During an initial observation stay, if the attending physician determines that the patient requires inpatient admission, the hospital is responsible for notifying Amerigroup via phone at 1-800-454-3730 or faxing notification to 1-800-964-3627 of the change in level of care.

The case will be reviewed for appropriateness in level of care and medical necessity. Amerigroup does not auto-convert patients to an inpatient status at the end of 30 hours – there should be a physician's order for admission and the admission must meet medical necessity guidelines.

All IP orders and clinical information must be faxed to 1-888-822-5595.

#### **Louisiana Healthcare Connections**

LHC allows for 24 hours of observation without an authorization. More than 24 hours may be granted based on the member meeting InterQual criteria; however, an authorization is required for any time over 24 hours.

#### **Community Health Solutions**

The allowed period of time for observation is 30 hours. There is no prior authorization or notification required for 30 hour observations. After 30 hours of observation, if the member is admitted to the hospital as an inpatient, authorization will be required. An authorization request for the hospitalization can be made via fax to 1-888-486-6207 or telephonically to 1-855-PRE-AUTH (1-855-773-2884).

## **LaCare**

LaCare adheres to a 30-hour observation period. Notification, authorization, nor referral is required for 30 Hour Observations. LaCare does appreciate notification of Maternity 30 Hour Observations for the purposes of Case Management outreach. Should a member stay past 30 hours, and the facility requests review for inpatient status, the facility should notify LaCare's Utilization Management Department. Concurrent Review Nurses and Physician Advisors will review the request for medical necessity and notify the requesting facility of the determination.

## **United Health Care**

UHC's observation status limit is 30 hours. Precertification or notification is not required by UHC for observation stays. At the end of the 30 hour observation period, the physician would need to determine if the patient should be discharged or changed from an observation status to inpatient. Patients are not automatically converted to inpatient status at the end of the 30 hours. To change a patient's status from observation to inpatient, a physician's order is required and the patient must meet medical necessity criteria for an inpatient level of care. The hospital is responsible for notifying UHC telephonically at 866-604-3267 or by fax at 877-271-6290 of the change in level of care.